

**Board of Directors
San Simeon Community Services District**



BOARD PACKET

**Wednesday, December 11, 2013
Regular Meeting 5:30 pm**

**Cavalier Banquet Room
250 San Simeon Avenue
San Simeon, CA**

AGENDA
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, December 11, 2013
5:30 pm

CAVALIER BANQUET ROOM
250 San Simeon Avenue
San Simeon, CA

Note; All comments concerning any item on the agenda are to be directed to the Board Chairperson

1. CLOSED SESSION: 5:00 PM

GOVERNMENT CODE SECTION 54957(b)(1) – PUBLIC EMPLOYMENT:
Title: District Counsel

2. REGULAR SESSION: 5:30 PM

A. Roll Call

B. Pledge of Allegiance

3. PUBLIC COMMENT:

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.

A. **Sheriff's Report** – Report for November.

B. **Public comment on Sheriff's Report**

4. BOARD PRESENTATIONS AND ANNOUNCEMENTS:

5. STAFF REPORTS

A. **General Manager's Report**

1. **Staff Activity** – Report on Staff activities for the month of November.

2. **Grants, Loans and Partnership Opportunities** – Update on USDA Wellhead Project

3. NPDES Permit - Update

B. Superintendent's Report

1. **Wastewater Treatment / Collection Systems** – Summary of operations and maintenance for November.
2. **Water / Distribution Systems** – Distribution performance for the Month of November.
3. **District Maintenance** – Summary of District maintenance for November.

C. District Financial Summary – Update on Monthly Financial Status for close of business November 30, 2013.

D. District Counsel's Report – Oral Report on current issues

1. **Discussion of the Balboa Avenue Beach Access.**

6. ITEMS OF BUSINESS

- A. **Approval of last month's minutes** – November 13, 2013.
- B. **Approval of Disbursements Journal** – December 11, 2013.

7. DISCUSSION/ACTION ITEMS

- A. **Review of Draft Audit for Fiscal year 2012-2013.**
- B. **9270 Avonne Avenue, Sansone Project Application** – Discussion of application submitted to the County regarding the proposed project.
- C. **Approval of Resolution 13-361** – San Simeon Community Services District Board Salaries.
- D. **Vote on Board Officer's for the 2014 year.**

8. Board Committee Reports – Oral Report from Committee Members.

9. Board Reports – Oral Report from Board Members on current issues.

10. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS

11. ADJOURNMENT

GENERAL MANAGER'S REPORT
Charles Grace
Staff Activities for November

General Manager's Report
December 11, 2013

1. Staff Activity – Report on Staff activities for the month of November.

Along with billing and collections, Staff worked with the new Auditors regarding the completion of the District Audit. Staff attended WRAC and the Byways/SLOCOG meetings on behalf of the District. Staff coordinated with the USDA, Phoenix Engineering, Rahmina Construction and electric sub-contractors during construction of the Wellhead Project. Staff also did final inspection of the Oceanside Inn improvements to check for any inconsistencies; none were found.

2. Grants, Loans and Partnership Opportunities – Update on USDA Wellhead Project

The ~~brink~~ building that houses the pumps and new Well office has been completed. Currently the electrical is being installed while pumps are being shipped.

3. NPDES Permit - Update

On December 5, 2013 the NPDES permit containing the recycled water use provisions was approved by the State Water Resources Control Board. Due to the appeal period provided for new permits, the SSCSD permit's effective date is February 1, 2014 making the use of recycled water available on that date.

SUPERTINTENDENT'S REPORT
Jerry Copeland
Facilities Update for November

SAN SIMEON COMMUNITY SERVICES DISTRICT

Superintendent's Report

Activities of November 2013

Wastewater Treatment Plant

- The wastewater treatment plant performed well this month.
- All sampling, testing and reporting at the wastewater treatment plant was performed as required by the RWQCB.
- One load of sludge was hauled away.

Water Distribution System

- All routine sampling and testing was performed. The monthly report was submitted to the CDPH.
- Monthly meter reading was performed.
- Staff assisted Phoenix Engineering and Raminha Construction and their subcontractors with the domestic water well rehabilitation project.

District and Equipment Maintenance

- Staff continues with all of the scheduled preventive maintenance for all the equipment at the facilities. We are recording all of these activities.
- The stand-by generators at the WWTP and the well site received quarterly and annual maintenance

San Simeon Community Services District - Monthly Data Report -November 2013

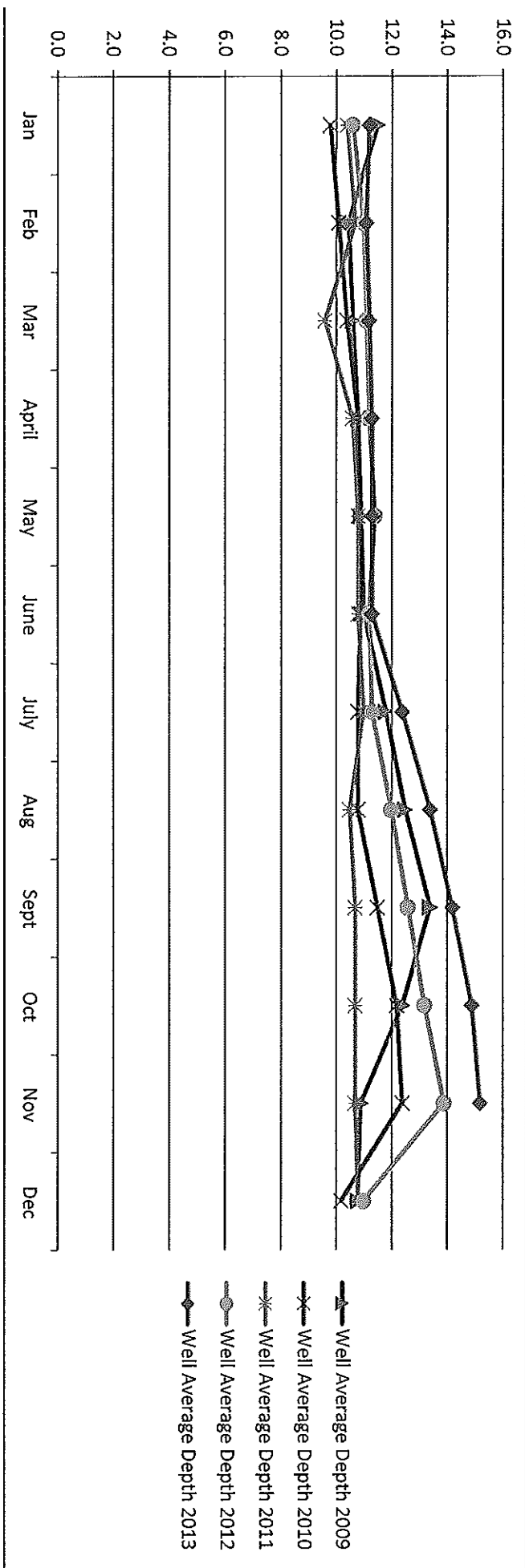
Date	Day	Wastewater Influent Daily flow	Wastewater Effluent Daily Flow	CALCULATED Well 1 Total Pumped	CALCULATED Well 2 Total Pumped	CALCULATED Total Daily Water Produced	Water Level Well 1	Water Level Well 2	Rainfall in Inches	INPUT State Sewer Daily Flow
11/01/13	Fri	70,289	65,750	0	63,430	63,430	15.1	15.2	0.00	4,140
11/02/13	Sat	80,458	84,680	70,312	0	70,312	15.1	15.2	0.00	7,266
11/03/13	Sun	87,549	92,080	0	71,060	71,060	15.1	15.2	0.00	7,807
11/04/13	Mon	65,966	76,910	63,879	0	63,879	15.1	15.2	0.00	4,734
11/05/13	Tue	66,952	68,360	0	62,234	62,234	15.1	15.2	0.00	12,778
11/06/13	Wed	65,550	64,960	69,489	0	69,489	15.0	15.1	0.00	6,707
11/07/13	Thu	64,378	67,410	0	63,056	63,056	15.1	15.2	0.00	7,944
11/08/13	Fri	70,380	68,880	68,891	0	68,891	15.0	15.1	0.00	6,824
11/09/13	Sat	92,335	87,900	0	54,006	54,006	15.1	15.2	0.00	8,558
11/10/13	Sun	83,084	94,170	78,390	16,606	94,996	15.0	15.1	0.00	10,974
11/11/13	Mon	66,315	83,280	0	58,643	58,643	15.1	15.2	0.00	3,573
11/12/13	Tue	56,551	57,670	67,021	0	67,021	15.1	15.2	0.00	2,048
11/13/13	Wed	58,285	56,180	0	59,915	59,915	15.1	15.2	0.00	6,159
11/14/13	Thu	57,152	57,200	63,356	0	63,356	15.1	15.2	0.00	7,816
11/15/13	Fri	58,886	60,900	0	53,482	53,482	15.2	15.3	0.00	10,659
11/16/13	Sat	72,276	75,740	62,533	0	62,533	15.2	15.3	0.00	4,992
11/17/13	Sun	69,369	67,530	0	58,942	58,942	15.2	15.3	0.00	9,782
11/18/13	Mon	55,442	137,530	46,451	0	46,451	15.2	15.3	0.00	8,665
11/19/13	Tue	52,979	86,630	23,412	0	23,412	15.1	15.2	0.00	6,211
11/20/13	Wed	53,513	57,410	0	58,793	58,793	15.1	15.2	0.00	6,131
11/21/13	Thu	46,936	48,210	60,663	0	60,663	15.1	15.2	0.00	6,624
11/22/13	Fri	45,466	46,830	0	0	0	15.2	15.3	0.00	7,680
11/23/13	Sat	74,958	62,520	0	63,954	63,954	14.9	15.0	0.00	5,902
11/24/13	Sun	74,768	74,090	74,052	11,295	85,347	15.0	15.1	0.00	18,754
11/25/13	Mon	74,951	83,620	0	53,258	53,258	15.1	15.2	0.00	9,958
11/26/13	Tue	75,745	80,310	69,115	0	69,115	15.1	15.2	0.00	4,813
11/27/13	Wed	71,236	76,280	0	65,001	65,001	15.2	15.3	0.04	5,699
11/28/13	Thu	64,890	64,750	70,536	0	70,536	15.2	15.3	0.16	9,741
11/29/13	Fri	101,815	100,880	0	70,462	70,462	15.3	15.4	0.00	4,144
11/30/13	Sat	105,864	110,120	82,579	0	82,579	15.3	15.4	0.00	14,942
TOTALS		2,084,338	2,258,780	970,680	884,136	1,854,816			0.20	232,025
Average		69,478	75,293	32,356	29,471	61,827	15.1	15.2	0.01	7,734
Minimum		45,466	46,830	0	0	0	14.9	15.0	0.00	2,048
Maximum		105,864	137,530	82,579	71,060	94,996	15.3	15.4	0.16	18,754

DATA SUMMARY SHEET

2013													
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total for 2013
Wastewater Final Effluent (Month Cycle)	2,021,340	1,908,020	2,318,280	2,451,860	2,643,980	2,808,900	3,419,580	3,346,020	2,749,810	2,603,850	2,258,780	2,509,470	28,530,390
Wastewater Influent	2,314,345	2,162,072	2,521,425	2,462,631	2,597,523	2,836,232	3,360,480	3,305,527	2,735,386	2,525,334	2,084,338	2,482,140	28,905,293
Adjusted Wastewater Influent (- State Flow) *	2,067,826	1,945,010	2,232,831	2,144,411	2,239,609	2,452,299	2,819,473	2,783,082	2,351,167	2,191,107	1,852,313	2,138,937	25,079,128
Water Produced (month cycle)	1,727,730	1,703,869	1,995,696	2,278,258	2,540,208	2,803,862	3,198,897	3,089,090	2,471,242	2,288,805	1,854,816	2,288,805	25,952,474
Sewer Influent/Water Produced Ratio	1.34	1.27	1.26	1.08	1.02	1.01	1.05	1.08	1.11	1.10	1.22		N/A
Adjusted Sewer/Water Ratio	1.20	1.14	1.12	0.94	0.88	0.88	0.88	0.90	0.95	0.96	1.00		N/A
Total Well Production	1,727,730	1,703,869	1,995,696	2,278,258	2,540,208	2,803,862	3,198,897	3,089,090	2,471,242	2,288,805	1,854,816	2,288,805	25,952,474
Well 1 Water Pumped	748,748	238,462	1,839,594	1,211,386	1,090,883	1,642,966	1,716,585	1,664,150	1,245,644	1,233,451	970,680		13,602,550
Well 2 Water Pumped	978,982	1,465,407	156,102	1,066,872	1,449,325	1,160,896	1,482,312	1,424,940	1,225,598	1,055,353	884,136		12,349,923
Water Well 1 Avg Depth to Water	11.2	11.0	11.1	11.2	11.2	11.2	12.3	13.3	14.1	14.8	15.1		N/A
Water Well 2 Avg Depth to Water	11.3	11.1	11.2	11.3	11.3	11.3	12.4	13.4	14.2	14.9	15.2		N/A
Average Depth of Both Wells	11.3	11.1	11.2	11.3	11.3	11.3	12.4	13.4	14.2	14.9	15.2		N/A
Change in Average Well Depth from 2012	+0.6	+0.1	+0.1	+0.1	+0.1	+0.1	+1.1	+1.4	+1.6	+1.7	+1.3		N/A
State Wastewater Treated	246,519	217,062	288,594	318,220	357,914	383,933	541,007	522,445	384,219	334,227	232,025		3,826,165
State % of Total WW Flow	11%	10%	11%	13%	14%	14%	16%	16%	14%	13%	11%		N/A
Biosolids Removal (Gallons)	6,000	0	0	6,000	6,000	12,000	6,000	12,000	12,000	12,000	6,000		72,000
WW Permit Limitation Exceeded	0	0	0	0	0	0	0	0	0	0	0		0
Constituent Exceeded	None	None	None	None	None	None	None	None	None	None	None		N/A
Sample Limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A
Sample Result	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A
2012													
Wastewater Final Effluent (Month Cycle)	2,282,400	2,013,230	2,330,795	2,716,990	2,525,450	2,715,470	3,502,920	3,227,160	2,616,130	2,535,700	2,175,190	2,509,470	31,150,905
Wastewater Influent	2,374,670	2,135,421	2,402,116	2,798,195	2,575,428	2,749,696	3,298,298	3,082,906	2,634,002	2,413,542	1,983,791	2,482,140	30,930,205
Adjusted Wastewater Influent (- State Flow) *	2,100,280	1,917,729	2,145,425	2,464,553	2,265,629	2,380,258	2,801,758	2,634,075	2,297,669	2,137,808	1,757,882	2,138,937	27,042,003
Water Produced (month cycle)	1,981,790	1,852,198	1,796,370	2,288,880	2,390,907	2,672,903	3,132,146	3,061,993	2,542,115	2,308,627	1,773,882	1,641,636	27,443,447
Sewer Influent/Water Produced Ratio	1.15	1.15	1.34	1.19	1.07	1.03	1.05	1.01	1.04	1.05	1.12	1.51	N/A
Adjusted Sewer/Water Ratio	1.06	1.04	1.19	1.08	0.95	0.89	0.90	0.86	0.90	0.93	0.99	1.30	N/A
Average Depth of Both Wells	10.7	11.0	11.1	11.2	11.4	11.2	11.3	12.0	12.6	13.2	13.9	11.0	N/A
Change in Average Well Depth from 2011	+0.2	+0.3	+1.5	+0.6	+0.6	+0.4	+0.3	+01.5	+1.9	+2.5	+3.2	+0.2	N/A
State Wastewater Treated	274,390	217,692	256,691	333,642	309,799	369,438	496,540	448,831	336,333	275,734	225,909	343,203	3,888,202
State % of Total WW Flow	12%	10%	11%	12%	12%	13%	15%	15%	13%	11%	12%	14%	N/A
Biosolids Removal (Gallons)	6,000	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	60,000
WW Permit Limitation Exceeded	0	0	0	0	0	0	0	0	0	0	0		0
Constituent Exceeded	None	None	None	None	None	None	None	None	None	None	None		N/A
Sample Limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A
Sample Result	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A

The formula for calculation of "State % of total WW Flow" compares the State Wastewater Treated to the Wastewater Influent Flow.

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Well Average Depth 2009	11.5	10.5	10.6	10.8	10.9	11.0	11.8	12.5	13.4	12.4	10.9	10.8
Well Average Depth 2010	9.8	10.1	10.4	10.8	10.8	10.9	10.8	10.8	11.5	12.2	12.4	10.2
Well Average Depth 2011	10.4	10.7	9.6	10.6	10.8	10.8	11.0	10.5	10.7	10.7	10.7	10.8
Well Average Depth 2012	10.6	11.0	11.1	11.2	11.4	11.2	11.3	12.0	12.6	13.2	13.9	11.0
Well Average Depth 2013	11.2	11.1	11.2	11.3	11.3	11.3	12.4	13.4	14.2	14.9	15.2	



DISTRICT FINANCIALS
Renee Lundy

November 30, 2013

*** Financial Summary**

*** Balance Sheet**

*** Water Sales & Production**

SAN SIMEON COMMUNITY SERVICES DISTRICT



FINANCIAL SUMMARY

BILLING
November 30, 2013

October Billing Revenue	\$ 60,015.78
November Billing Revenue	\$ 50,079.55
Past Due (31 to 60 days)	\$ 221.27
Past Due (60 days)	\$ 282.50

RABOBANK SUMMARY
Ending Balances November 30, 2013

Summary of Transactions:

Balance October 31, 2013	\$ 585,567.08
Interest November	\$ 126.10
Money Transfer from general checking November 18, 2013	\$ 50,000.00
Money Marketing Account Closing Balance November 30, 2013	\$ 635,693.18
Reserve Fund	(\$ 250,000.00)
Hook up Deposits	(\$ 43,470.00)
Available Funds	\$ 342,223.18

General Checking Account	\$ 133,537.61
Well Rehab Project/USDA Checking Account	\$ 3,109.31

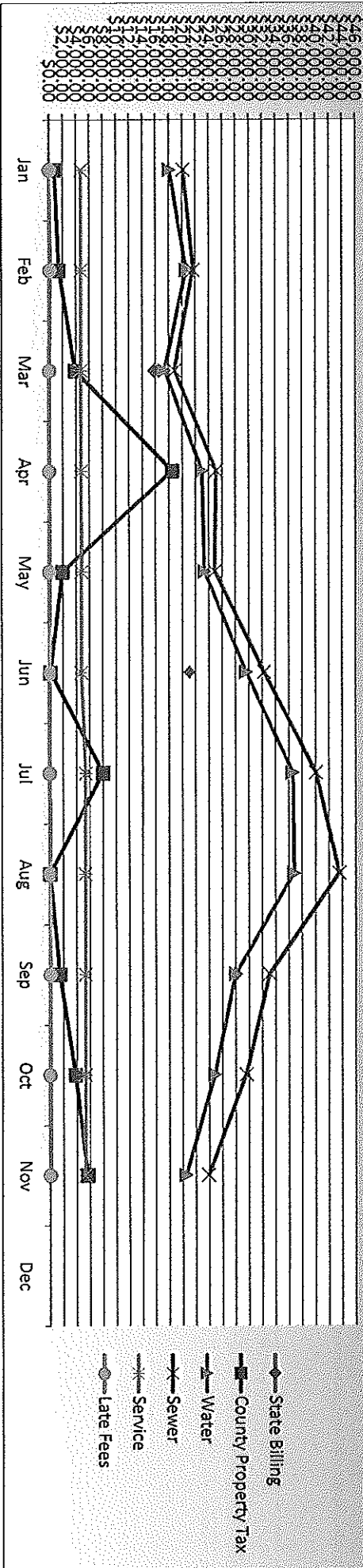
LAIF Closing Balance November 30, 2013	\$ 517.62
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SAN SIMEON COMMUNITY SERVICES DISTRICT
Balance Sheet
As of November 30, 2013

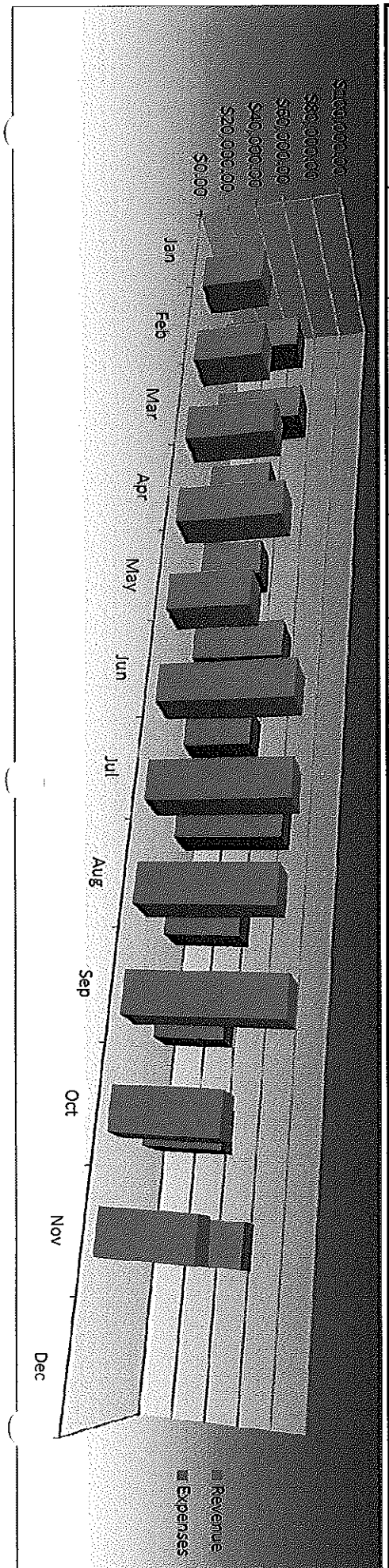
	Nov 30, 13
ASSETS	
Current Assets	
Checking/Savings	
1010 · Petty cash	150.00
1020 · General checking	133,537.61
1022 · USDA checking	-3,109.31
1040 · Cash in county treasury	11.39
1050 · LAIF - non-restricted cash	517.62
1060 · Money Market Account 9548643039	635,693.18
Total Checking/Savings	766,800.49
Other Current Assets	
1200 · Accounts receivable	49,252.82
1300 · Prepaid expenses	3,860.65
Total Other Current Assets	53,113.47
Total Current Assets	819,913.96
Fixed Assets	
1400 · Fixed assets	
1420 · Building and structures	395,874.73
1500 · Equipment	316,747.53
1540 · Major water projects	145,068.22
1580 · Sewer plant	1,488,555.08
1600 · Water system	550,390.00
1620 · WWTP expansion	299,565.92
1630 · Tertiary Project	235,886.09
1640 · Wellhead project	102,403.09
Total 1400 · Fixed assets	3,534,490.66
1650 · Walkway access projects	11,511.00
1690 · Accumulated depreciation	-1,896,988.96
Total Fixed Assets	1,649,012.70
TOTAL ASSETS	2,468,926.66
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts payable	70,317.65
Total Accounts Payable	70,317.65
Other Current Liabilities	
2100 · Payroll liabilities	153.00
2500 · Customer security deposits	10,308.13
2510 · Connect hookup wait list	43,470.00
Total Other Current Liabilities	53,931.13
Total Current Liabilities	124,248.78
Total Liabilities	124,248.78
Equity	
3200 · Fund balance	2,214,136.83
Net Income	130,541.05
Total Equity	2,344,677.88
TOTAL LIABILITIES & EQUITY	2,468,926.66

2013 DISTRICT REVENUE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
State Billing			\$15,874.60			\$21,090.32			\$27,981.20				\$64,946.12
County Property Tax	\$757.44	\$1,473.36	\$3,935.20	\$18,534.56	\$1,963.98	\$141.38	\$8,069.77	\$51.86	\$1,503.31	\$3,859.65	\$5,718.15		\$46,008.66
Water	\$18,102.6	\$20,631.4	\$17,394.1	\$23,008.4	\$23,384.4	\$29,603.5	\$36,628.9	\$36,833.3	\$28,053.5	\$24,908.9	\$20,549.4		\$279,098.48
Sewer	\$20,172.8	\$21,705.5	\$18,903.2	\$25,168.5	\$24,914.3	\$32,350.8	\$40,084.9	\$43,613.3	\$33,179.7	\$29,636.1	\$23,946.3		\$313,675.40
Service	\$4,792.3	\$4,769.3	\$4,769.3	\$4,792.3	\$4,815.4	\$4,792.3	\$5,436.9	\$5,366.4	\$5,366.4	\$5,366.4	\$5,366.4		\$55,633.38
Late Fees	\$80.3	\$163.5	\$95.6	\$58.8	\$51.7	\$88.3	\$59.8	\$110.4	\$120.6	\$71.4	\$117.4		\$1,017.61
Total	\$43,905.4	\$48,743.0	\$60,971.99	\$71,562.60	\$55,129.70	\$88,066.60	\$90,280.30	\$85,975.30	\$96,204.70	\$63,842.40	\$55,697.70		\$760,379.65
Water Sold Cu Ft	220059	216680	209256	285145	279529	354134	373741	396714	303256	269689	222002		3130205
Water Sold Acre ft	5.05	4.97	4.80	6.55	6.42	8.13	8.58	9.11	6.96	6.19	5.10		71.86



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Revenue	\$43,905.44	\$48,742.98	\$60,971.99	\$71,562.60	\$55,129.70	\$88,066.60	\$90,280.30	\$85,975.30	\$96,204.70	\$63,842.40	\$55,697.70		\$760,379.70
Expenses	\$56,546.16	\$62,776.84	\$44,114.20	\$42,560.87	\$62,849.92	\$45,648.58	\$71,615.58	\$48,925.07	\$44,121.32	\$48,707.12	\$65,809.41		\$65,809.41
Balance	-\$12,640.72	-\$14,033.86	\$16,857.79	\$29,001.73	-\$7,720.22	\$42,418.02	\$18,664.72	\$37,050.23	\$52,083.38	\$15,135.28	-\$10,111.71		



Historical Revenue Fiscal Year

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
Water	\$20,110.3	\$21,949.0	\$15,884.6	\$16,813.3	\$11,056.9	\$11,424.7	\$12,916.2	\$11,164.3	\$10,891.2	\$14,675.1	\$15,113.9	\$15,565.2	\$177,564.5
Sewer	\$14,888.4	\$16,786.8	\$12,513.6	\$16,072.2	\$10,514.6	\$10,764.3	\$12,090.7	\$10,358.4	\$10,180.4	\$13,537.1	\$13,664.3	\$14,237.7	\$155,608.3
Service	\$3,026.4	\$3,027.0	\$3,027.0	\$3,100.5	\$3,056.4	\$3,027.0	\$3,027.0	\$3,012.3	\$3,012.3	\$3,056.4	\$3,041.7	\$3,041.7	\$36,455.7
Total	\$38,025.0	\$41,762.8	\$31,425.2	\$35,985.9	\$24,627.9	\$25,216.0	\$28,033.9	\$24,535.0	\$24,083.8	\$31,268.5	\$31,819.9	\$32,844.6	\$369,628.5
Water Sold Cu Ft	391070	416325	314625	330591	214430	233672	246690	223112	207332	288896	289767	293166	3449676
Water Sold acre ft	8.98	9.56	7.22	7.59	4.92	5.36	5.66	5.12	4.76	6.63	6.65	6.73	79.19

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
Water	\$18,173.0	\$18,627.8	\$16,595.1	\$15,204.0	\$11,089.7	\$11,820.6	\$14,655.9	\$12,301.9	\$12,308.1	\$17,354.2	\$16,361.6	\$23,235.2	\$187,727.1
Sewer	\$17,131.8	\$17,715.1	\$16,373.1	\$15,130.5	\$10,808.6	\$11,430.7	\$14,474.7	\$12,023.6	\$11,960.2	\$17,100.5	\$15,949.3	\$22,296.5	\$182,394.7
Service	\$3,208.9	\$3,210.2	\$3,495.9	\$3,465.2	\$3,481.9	\$3,515.4	\$3,498.7	\$3,498.7	\$3,481.9	\$3,498.7	\$3,498.7	\$3,481.9	\$41,336.0
Total	\$38,513.8	\$39,553.2	\$36,464.1	\$33,799.7	\$25,380.2	\$26,766.7	\$32,629.3	\$27,824.2	\$27,750.2	\$37,953.3	\$35,809.5	\$49,013.6	\$411,457.8
Water Sold Cu Ft	338115	340942	280448	254487	185365	200865	245098	206476	206159	292035	272744	384783	3207517
Water Sold acre ft	7.76	7.83	6.44	5.84	4.26	4.61	5.63	4.74	4.73	6.70	6.26	8.83	73.63

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
Water	\$23,422.1	\$24,495.2	\$24,323.5	\$18,281.7	\$17,712.1	\$13,309.5	\$14,079.9	\$14,436.8	\$14,580.3	\$15,978.4	\$17,181.9	\$20,045.1	\$217,846.3
Sewer	\$21,589.4	\$22,706.9	\$22,330.6	\$16,837.1	\$17,839.7	\$13,259.2	\$14,010.9	\$14,599.5	\$13,759.0	\$16,248.7	\$17,077.0	\$20,232.7	\$210,490.6
Service	\$3,835.7	\$3,820.5	\$3,802.2	\$3,802.2	\$3,802.2	\$3,857.1	\$3,820.5	\$3,838.8	\$3,802.2	\$3,802.2	\$3,820.5	\$3,802.2	\$45,806.6
Total	\$48,847.2	\$51,022.6	\$50,456.4	\$38,921.0	\$39,354.1	\$30,425.7	\$31,911.3	\$32,875.1	\$32,141.5	\$36,029.3	\$38,079.4	\$44,080.0	\$474,143.4
Water Sold Cu Ft	370034	403035	381961	302816	275704	203414	216577	220129	214084	243460	269171	304596	3404981
Water Sold acre ft	8.49	9.25	8.77	6.95	6.33	4.67	4.97	5.05	4.91	5.59	6.18	6.99	78.17

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
Water	\$29,080.9	\$30,541.4	\$24,905.3	\$23,664.7	\$18,603.5	\$18,224.2	\$18,368.8	\$17,712.9	\$14,752.5	\$20,943.1	\$19,569.8	\$24,471.6	\$260,838.8
Sewer	\$30,694.0	\$32,170.1	\$26,341.4	\$24,926.1	\$19,583.4	\$19,169.6	\$19,403.2	\$16,370.8	\$15,243.1	\$22,112.6	\$20,266.8	\$25,270.9	\$271,552.0
Service	\$4,272.0	\$4,231.1	\$4,251.5	\$4,251.5	\$4,251.5	\$4,272.0	\$4,251.5	\$4,272.0	\$4,251.5	\$4,251.5	\$4,251.5	\$4,292.4	\$51,100.0
Total	\$64,046.8	\$66,942.6	\$55,498.2	\$52,842.4	\$42,438.4	\$41,665.8	\$42,023.5	\$38,355.7	\$34,247.2	\$47,307.2	\$44,088.1	\$54,034.9	\$583,490.8
Water Sold Cu Ft	394069	413435	337511	319681	252605	247832	246628	225987	201323	285397	264824	329516	3520708
Water Sold acre ft	9.05	9.49	7.75	7.34	5.80	5.69	5.71	5.19	4.62	6.55	6.08	7.56	80.82

Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal Total
Water	\$30,164.0	\$31,860.6	\$27,236.4	\$23,180.2	\$19,172.8	\$13,606.3	\$18,102.6	\$20,631.4	\$17,394.1	\$23,008.4	\$23,384.4	\$29,603.5	\$277,344.6
Sewer	\$32,911.6	\$34,733.9	\$29,563.0	\$25,730.9	\$21,158.5	\$14,923.0	\$20,172.8	\$21,705.5	\$18,903.2	\$25,168.5	\$24,914.3	\$32,350.8	\$302,236.0
Service	\$4,792.3	\$4,792.3	\$4,815.4	\$4,815.4	\$4,792.3	\$4,815.4	\$4,792.3	\$4,769.3	\$4,769.3	\$4,792.3	\$4,815.4	\$4,792.3	\$57,553.9
Total	\$67,867.9	\$71,386.8	\$61,614.7	\$53,726.5	\$45,123.6	\$33,344.7	\$43,067.8	\$47,106.2	\$41,066.6	\$52,969.2	\$53,114.0	\$66,746.6	\$637,134.5
Water Sold Cu	361479	380540	324880	279621	232827	16565	220059	216680	209256	285145	279529	354132	3309808
Water Sold acre ft	8.30	8.74	7.46	6.42	5.34	3.80	5.05	4.97	4.80	6.55	6.42	8.13	75.98

ITEMS OF BUSINESS

*** Minutes – November 13, 2013**

*** Disbursements Journal – December 11, 2013**

*** USDA Loan Disbursements Journal**

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, November 13, 2013
6:00 pm

CAVALIER BANQUET ROOM
250 San Simeon Avenue
San Simeon, CA

Note; All comments concerning any item on the agenda are to be directed to the Board Chairperson

1. NO CLOSED SESSION

2. REGULAR SESSION@ 6:05 PM

A. Roll Call:

Chairperson McAdams: Present
Vice-Chair Williams: Present
Director Fields: Present
Director Price: Present
Director Patel: Present

Also Present

Charles Grace, General Manager
Robert Schultz, District Counsel
Sheriff's Office, Commander Aaron Nix

B. Pledge of Allegiance

3. PUBLIC COMMENT: None

A. Sheriff's Report – Report for October.

There were 82 calls for service. Some of the calls included; 11 medical responses, 6 assist other agencies, 1 burglary, 1 theft, 1 defrauding an Inn Keeper. Under Miscellaneous calls; 4 check well fare, 4 suspicious circumstances, 15 incomplete 911 calls, 1 alarm, and 20 traffic calls.

B. Public comment on Sheriff's Report: None

4. BOARD PRESENTATIONS AND ANNOUNCEMENTS: None

5. STAFF REPORTS

A. General Manager's Report

1. Staff Activity – Report on Staff activities for the month of October.

Along with billing and collections, Staff worked with the new Auditors for 3 days. Staff attended WRAC and the Byways/SLOCOG meetings on behalf of the District. The District Newsletter and Hearst 3rd Quarter billing was prepared and distributed. Staff coordinated with PG&E to relocate the water well electric meter and we are in daily contact with Phoenix Engineering and Rahmina Construction during construction of the Wellhead Project. Staff met with two contractors in effort to develop a streets improvement plan.

2. Grants, Loans and Partnership Opportunities

Well Rehab Project –

Currently the Well building is being constructed and should be finished by November 18th. The electrical portion of the project will then commence. The well rehab project is progressing steadily with completion anticipated by the end of February.

3. NPDES Permit –

Staff discussed with the Regional Water Quality Control Board (RWQCB) the WWTP permit / Recycled Water permit specifically to remedy the tightening of the discharge pH limit. The RWQCB intends to allow the SSCSD more time to review current pH level being discharged while the existing limit remains the same. The anticipated December 5th permit approval will be on the RWQCB consent calendar.

B. Superintendent's Report

Wastewater Treatment Plant

- The wastewater treatment plant performed well this month.
- All sampling, testing and reporting at the wastewater treatment plant was performed as required by the RWQCB.
- One load of sludge was hauled away.

Water Distribution System

- All routine sampling and testing was performed. The monthly report was submitted to the CDPH.
- Monthly meter reading was performed.
- Staff assisted Phoenix Engineering and Raminha Construction and their subcontractors with the domestic water well rehabilitation project.

District and Equipment Maintenance

- Staff continues with all of the scheduled preventive maintenance for all the equipment at the facilities. We are recording all of these activities.

C. District Financial Summary – Update on Monthly Financial Status for close of business October 31, 2013.

BILLING

September Billing Revenue	\$ 66,696.69
October Billing Revenue	\$ 60,015.78
Past Due (31 to 60 days)	\$ 48.49
Past Due (60 days)	\$ 234.01

**RABOBANK SUMMARY
Ending Balances October 31, 2013**

Summary of Transactions:

Balance August 31, 2013	\$ 585,436.15
Interest	\$ 130.93
Money Marketing Account Closing Balance September 30, 2013	\$ 585,567.08

Reserve Fund	(\$ 250,000.00)
Hook up Deposits	(\$ 43,470.00)
Available Funds	\$ 292,097.08

General Checking Account	\$ 145,657.47
Well Rehab Project/USDA Checking Account	\$ 2,180.34
LAIF Closing Balance October 31, 2013	\$ 517.29

D. District Counsel's Report – Oral Report on current issues

Besides general District duties, Counsel assisted staff with agenda items and brown act issues. Counsel has been preparing a Board Salaries Resolution which will be ready by the December meeting, and has been doing research with the County regarding the Sansone Project. Also, since Counsel has moved his office, he found several boxes containing San Simeon CSD information, most of which is duplicate reports that Staff already has.

6. ITEMS OF BUSINESS

A. Approval of last month's minutes – October 16, 2013.

Minutes approved as presented

Motion by: Vice-Chair Williams

2nd by: Director Price

All in: 5/0

B. Approval of Disbursements Journal – November 13, 2013.

Disbursements Journals for general checking and USDA project approved as presented

Motion by: Director Patel

2nd by: Director Fields

All in: 5/0

7. DISCUSSION/ACTION ITEMS

A. Vote on Ballot for Alternate LAFCO Special District Member.

Four individuals have been nominated for the vacant LAFCO Alternate Special District position. The term for this position would expire in December 2017. The district's board of director's may select one of the following nominees:

- ✓ **Dan Allen Gaddiss, Nipomo CSD**
- ✓ **Barbara Bronson Gray, Cambria healthcare district**
- ✓ **Mike Broadhurst, Upper Salinas-Las Tablas Resource Conservation District**
- ✓ **Robert Enns, Cayucos Sanitary District**

Qualifications from each candidate are attached for Board review. Staff will distribute Ballots to the Board to vote for their choice and the majority vote will determine San Simeon CSD's vote. Robert Enns attended the board meeting and gave a verbal description of his qualifications.

All five Board of Directors voted for Robert Enns to be the San Simeon CSD choice for Alternate LAFCO Special District Member.

B. Avonne Avenue, Sansone Project Application – Discussion of application submitted to the County regarding the proposed project.

Staff mentioned that in the application that David Sansone submitted to the county was not complete, since he does not have a "Will Serve" letter from the District. Since the project has to have fire sprinklers, he will need a Will Serve letter from the District. Staff has questions for Sansone regarding the project. David Sansone sent a letter to the District asking that the board table the subject until next board meeting because he could not attend the November meeting. He would like to be present, and asked the Board to table the subject until the December board meeting. The Board, Staff and Counsel agreed to table the subject matter until the December Board meeting.

8. Board Committee Reports – Oral Report from Committee Members.

The Budget Committee met this month and would like for \$50,000.00 to be transferred from the General Checking account to the Money marketing account.

A motion was made to make the \$50,000.00 transfer from the general checking to the money marketing account.

Motion by: Director Fields

2nd by: Director Price

All in: 5/0

9. Board Reports – None

10. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS

11. ADJOURNMENT@ 6:47 PM

SAN SIMEON COMMUNITY SERVICES DISTRICT
Disbursements Journal
November 18 through December 31, 2013

Type	Date	Num	Name	Memo	Amount	Balance	
NOVEMBER LATE DISBURSEMENTS							
Bill Pmt	11/18/2013	6945	Board of Equalization	Water Rights Permit Fee	-156.89	133,380.72	
Bill Pmt	11/18/2013	6946	Glenn Burdette	Services For October monthly service fee	-1,500.00	131,880.72	
Bill Pmt	11/18/2013	6947	SWRCB	Quarterly taxes service fee	\$300		
Bill Pmt	11/18/2013	6948	SWRCB	WWTP Permit fee Collection System Permit Fee	-3,703.00	128,177.72	
DECEMBER WARRANT REPORT							
Paycheck	12/01/2013	6949	ALAN FIELDS		-92.35	126,145.37	
Paycheck	12/01/2013	6950	DAN WILLIAMS		-92.35	126,053.02	
Paycheck	12/01/2013	6951	KAUSHIK S PATEL		-92.35	125,960.67	
Paycheck	12/01/2013	6952	LEROY E PRICE		-92.35	125,868.32	
Paycheck	12/01/2013	6953	RALPH N MCADAMS		-92.35	125,775.97	
Bill Pmt	12/04/2013	6954	APTwater, Inc	Operations Management December Recycled Water system Oxygen for 2011-2013	\$38,870.64 \$6399.07	-45,269.71	
Bill Pmt	12/04/2013	6962	APTwater, Inc	Additional Electric Costs Over \$60K per 2011-2012 contract year	-2,409.06	78,097.20	
Bill Pmt	12/04/2013	6955	California Special Districts Assoc	2014 Membership dues	-1,324.00	76,773.20	
Bill Pmt	12/04/2013	6956	Glenn Burdette	Services for November	-1,200.00	75,573.20	
Bill Pmt	12/04/2013	6957	MICHAEL O'NEILL	Monthly Website maintenance fee	-275.00	75,298.20	
Bill Pmt	12/04/2013	6958	Moss, Levy & Hartzheim, LLP	District Audit 2012-2013 1st payment	-3,000.00	72,298.20	
Bill Pmt	12/04/2013	6959	OLIVEIRA ENVIRONMENTAL CONSULTING	Water Reservoir Expansion Project Research	-425.00	71,873.20	
Bill Pmt	12/04/2013	6960	Phoenix Civil Engineering, Inc	O & M Manual for WWTP Water Usage Report	\$485.00 \$1860.00	-2,345.00	
Bill Pmt	12/04/2013	6961	ROBERT W SCHULTZ ESQ.	Services	-1,800.00	67,728.20	
					TOTAL	-65,809.41	67,728.20

**SAN SIMEON COMMUNITY SERVICES DISTRICT
 USDA DISBURSEMENTS JOURNAL**

December 11, 2013

Type	Date	Num	Name	Memo	Amount	Balance
Bill Pmt	12/04/2013	106	AECOM USA Inc.	Proj 60269712 Mgmt Services for 9/28-10/25/13	-2,442.65	-3,109.31
Bill Pmt	12/04/2013	107	Raminha Construction, Inc	Project 2013-02 Application Period 10/28/13	-67,450.00	-5,551.96
					-69,892.65	-73,001.96
TOTAL					-69,892.65	-73,001.96

DISCUSSION & ACTION ITEMS

Discussion Action Items

December 11, 2013

A. Review of Draft Audit for Fiscal year 2012-2013.

Attached is the Draft 2012-2013 District Audit performed by Moss, Levy & Hartzheim for Board review. Travis Hole, from Moss, Levy & Hartzheim will be present to address any questions or changes Staff or the Board might have prior to finalizing the Audit.

B. Avonne Avenue, Sansone Project Application – Discussion of application submitted to the County regarding the proposed project.

C. Approval of Resolution 13-361 – San Simeon Community Services District Board Salaries.

After reviewing Board Policies and Resolutions, Auditor's Moss, Levy & Hartzheim have suggested that the District have in place a Resolution regarding Board Salaries. Attached for your review is the District's Council Summary and Resolution 13-361 regarding San Simeon Community Services Board Salaries.

D. Vote on Board Officer's for the 2014 year.

The term for the Chairperson and Vice-Chair person will be up in January 2014. Staff would like for the Board to vote on the position of Chairperson and Vice-Chair.

SAN SIMEON COMMUNITY SERVICES DISTRICT

FINANCIAL STATEMENTS

June 30, 2013

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SAN SIMEON COMMUNITY SERVICES DISTRICT
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June 30, 2013

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Schedule of Revenues and Expenses by Function for the Fiscal Year Ended June 30, 201215

INTRODUCTORY SECTION
DRAFT

Board of Directors

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Ralph McAdams	Chairperson	2014
Daniel Williams	Vice-Chairperson	2016
Alan Fields	Director	2016
Leroy Price	Director	2016
Ken Patel	Director	2014

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FINANCIAL SECTION

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MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
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www.mlhcpas.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
San Simeon Community Services District
San Simeon, CA

We have audited the accompanying basic financial statements of San Simeon Community Services District (District) as of and for the fiscal year ended June 30, 2013, and the related notes to the basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the of the San Simeon Community Services District, as of June 30, 2013, and the respective changes in financial position and cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

Other auditors previously audited the San Simeon Community Service District's 2012 financial statements, and their report dated January 4, 2013, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Emphasis of Matter

As discussed in note 1 to the basic financial statements effective July 1, 2012, the San Simeon Community Services District adopted Governmental Accounting Standards Board (GASB) Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, Statement No. 61, *The Financial Report Entity: Omnibus*, Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section and the schedules of revenues, expenses, and changes in net position by function on pages 13 and 14 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of revenues, expenses, and changes in net position by function is the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of revenues, expenses, and changes in net position by function are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated DATE, 2013, on our consideration of the San Simeon Community Services District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Santa Maria, California
XXXXXXX, 2013

SAN SIMEON COMMUNITY SERVICES DISTRICT
 STATEMENT OF NET POSITION-PROPRIETARY FUND
 June 30, 2013
 with Comparative Totals for June 30, 2012

	2013	2012
ASSETS		
Current Assets:		
Petty cash	\$ 150	\$ 150
Cash and investments	615,545	512,377
Restricted cash and investments	730	54,010
Accounts receivable	85,441	67,054
Prepaid expenses	6,507	6,194
Total current assets	<u>708,373</u>	<u>639,785</u>
Capital Assets:		
Non-depreciable:		
Construction in progress		676,070
Depreciable:		
Sewer plant	1,788,121	1,488,555
Water plant	938,118	550,391
Building	422,429	395,874
Equipment	316,748	316,748
Less: Accumulated depreciation	<u>(1,869,980)</u>	<u>(1,790,000)</u>
Net capital assets	<u>1,595,436</u>	<u>1,637,638</u>
Total assets	<u>2,303,809</u>	<u>2,277,423</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	3,970	50,084
Customer deposits	53,928	53,878
Contingency	<u>25,000</u>	<u>63,464</u>
Total current liabilities	<u>82,898</u>	<u>167,426</u>
NET POSITION		
Net investment in capital assets	1,595,436	1,637,638
Restricted for capital projects	730	54,010
Unrestricted	<u>624,745</u>	<u>418,349</u>
Total net position	<u>\$ 2,220,911</u>	<u>\$ 2,109,997</u>

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↑
 Trends
 Net
 Assets

SAN SIMEON COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2013
With Comparative Totals for the Fiscal Year Ended June 30, 2012

	2013	2012
Operating Revenues:		
Utility sales	\$ 574,519	\$ 534,420
Service charges	57,554	51,100
State of CA-Dept of Parks and Recreation	77,265	56,519
Total operating revenues	709,338	642,039
Operating Expenses:		
Contract labor	460,746	493,395
Depreciation	79,980	78,524
Legal and professional	52,117	42,263
Repairs and maintenance	21,100	29,982
Utilities and telephone		21,061
Bookkeeping	15,500	14,700
Licenses and permits	9,334	9,021
Insurance	6,194	5,963
Directors' fees	5,500	5,800
Health insurance	11,962	4,869
Operating supplies		3,828
Website	3,575	3,025
Dues and subscriptions	1,980	1,264
Office expenses	371	548
Other expense	706	2
Total operating expenses	669,065	714,245
Net operating gain (loss)	40,273	(72,206)
Non-Operating Revenues (Expenses):		
Property taxes	73,755	68,380
Interest income	1,708	2,083
Tax administration fee	(1,618)	(1,587)
LAFCO budget allocation	(3,849)	(1,699)
Miscellaneous income	645	
Total non-operating revenues (expenses)	70,641	67,177
Changes in net position	110,914	(5,029)
Net position - beginning of fiscal year	2,109,997	2,115,026
Net position - end of fiscal year	<u>\$ 2,220,911</u>	<u>\$ 2,109,997</u>

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Election Expenses

SAN SIMEON COMMUNITY SERVICES DISTRICT
 STATEMENT OF CASH FLOWS - PROPRIETARY FUND
 For the Fiscal Year Ended June 30, 2013
 With Comparative Totals for the Fiscal Year Ended June 30, 2012

	2013	2012
Cash Flows From Operating Activities:		
Receipts from customers and users	\$ 691,001	\$ 633,386
Payments to suppliers	(656,514)	(544,194)
Payments to employees	(17,462)	(10,669)
Net cash provided (used) by operating activities	<u>17,025</u>	<u>78,523</u>
Cash Flows from Capital and Related Financing Activities:		
Property taxes	73,755	68,380
Miscellaneous revenues	645	
Purchase of capital assets	(37,778)	(224,662)
Tax administration fee	(1,618)	(1,699)
LAFCO budget allocation	(3,849)	(1,587)
Net cash provided (used) by capital and related financing activities	<u>31,155</u>	<u>(159,568)</u>
Cash Flows from Investing Activities:		
Investment income	1,708	2,083
Net cash provided (used) by investing activities	<u>1,708</u>	<u>2,083</u>
Net Increase (decrease) in cash and cash activities	49,888	(78,962)
Cash and cash equivalents, beginning of fiscal year	566,537	645,499
Cash and cash equivalents, end of fiscal year	<u>\$ 616,425</u>	<u>\$ 566,537</u>
Reconciliation to Statement of Net Position		
Petty cash	\$ 150	\$ 150
Cash and investments	615,545	512,377
Restricted cash and investments	730	54,010
	<u>\$ 616,425</u>	<u>\$ 566,537</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating loss	\$ 40,273	\$ (72,206)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	79,980	78,524
Change in Operating Assets and Liabilities:		
(Increase) decrease in accounts receivable	(18,387)	(8,853)
(Increase) decrease in prepaid expenses	(313)	(6,194)
Increase (decrease) in accounts payable	(46,114)	23,588
Increase (decrease) in customer deposits	50	200
Increase (decrease) in contingency	(38,464)	63,464
Net cash provided (used) by operating activities	<u>\$ 17,025</u>	<u>\$ 78,523</u>

See accompanying notes to basic financial statements.

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 – NATURE OF DISTRICT

San Simeon Community Services District (the "District") is a political subdivision of the State of California and operates under a council form of government. The District administers the following community services as provided by its charter: Water, sanitation, streets, lighting and general and administrative services.

The District is a Community Services District as defined under State Code Section: 61000. A Community Services District is a public agency (State Code Section: 12463.1) which is a State instrumentality (State Code Section: 23706). State instrumentalities are exempt from federal and state income taxes.

There are no component units included in this report which meet the criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39 and No. 61.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Accounting Policies - The accounting policies of the District conform with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).
- B. Basis of Accounting - The District is organized as an Enterprise Fund and follows the accrual method of accounting, whereby revenues are recorded as earned, and expenses are recorded when incurred.
- C. Budget - Although a budget is adopted annually, it is used primarily as a guideline for the Board in regulating expenditures. There is no legal requirement to stay within the adopted budget in the payment or classification of expenditures.
- D. Cash and Cash Equivalents - Cash and cash equivalents consist of cash on hand and in banks and short-term, highly liquid investments with a maturity of three months or less, which include money market funds, cash management pools in County Treasury and the state Local Agency Investment Fund (LAIF). Cash held in the county and state pooled funds is carried at cost, which approximates fair value. Interest earned is deposited quarterly into the participant's fund. Any investment losses are proportionately shared by all funds in the pool. The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the County are either secured by federal depository insurance or are collateralized.
- E. Property, Plant and Equipment - Capital assets purchased by the District are recorded at cost. Contributed or donated capital assets are recorded at fair value when acquired.
- F. Depreciation - Capital assets purchased by the District are depreciated over their estimated useful lives (ranging from 5-50 years) under the straight-line method of depreciation.
- G. Receivables - The District did not experience any significant bad debt losses; accordingly, no provision has been made for doubtful accounts, and accounts receivable is shown at full value.
- H. Encumbrances - Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized by the District.
- I. Customer Deposits - Customer deposits are recorded as a liability of the District. The District requires an advance deposit of \$50 for new customers.
- J. Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Net Position (Continued)

Net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

K. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the AICPA, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. New Accounting Pronouncements

Governmental Accounting Standards Board Statement No. 60

For the fiscal year ended June 30, 2013, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements." This Statement is effective for periods beginning after December 15, 2011. The objective of this Statement is to improve financial reporting by addressing issues related to Service Concession Arrangements. This Statement improves consistency in reporting and enhances the comparability of the accounting and financial reporting of Service Concession Arrangements among state and local governments. Implementation of the GASB Statement No. 60, did not have an impact on the District's financial statements for the fiscal year ended June 30, 2013.

Governmental Accounting Standards Board Statement No. 61

For the fiscal year ended June 30, 2013, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 61 "The Financial Reporting Entity: Omnibus." This statement is effective for periods beginning after June 15, 2012. The objective of this Statement is to improve financial reporting for component units. The Statement modifies certain requirements for inclusion of component units in the financial reporting entity and clarifies the reporting of equity interests in legally separate organizations. Implementation of the GASB Statement No. 61, did not have an impact on the District's financial statements for the fiscal year ended June 30, 2013.

Governmental Accounting Standards Board Statement No. 62

For the fiscal year ended June 30, 2013, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 62 "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." This Statement is effective for periods beginning after December 15, 2011. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the FASB and AICPA pronouncements issued on or before November 30, 1989. This Statement specifically identifies and consolidates the accounting and financial reporting provisions that apply to state and local governments. Implementation of the GASB Statement No. 62, did not have an impact on the District's financial statements for the fiscal year ended June 30, 2013.

Governmental Accounting Standards Board Statement No. 63

For the fiscal year ended June 30, 2013, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." This Statement is effective for periods beginning after December 15, 2011. The objective of this Statement is to establish guidance for reporting deferred outflows or resources, deferred inflows of resources, and net position in a statement

SAN SIMEON COMMUNITY SERVICES DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. New Accounting Pronouncements (Continued)

of financial position. This Statement sets forth framework that specifies where deferred outflows of resources and deferred inflows of resources, as well as assets and liabilities should be displayed. This Statement also specifies how net position, no longer referred to as net assets, should be displayed. Implementation of the Statement and the impact of the District's financial statements are explained in Note 2 -- J Net Position.

M. Comparative Data/Total Only

Comparative total data for the prior fiscal year has been presented in certain accompanying financial statements in order to provide an understanding of the changes in the District's financial position, operations, and cash flows. Also, certain prior fiscal amounts have been reclassified to conform to the current fiscal year financial statements presentation.

NOTE 3 - CASH AND INVESTMENTS

Investments are carried at fair value. On June 30, 2013, the District had the following cash and temporary investments on hand:

Petty cash	\$	150
Cash in bank		615,758
Investments		517
Total cash and investments		\$ 616,425

Restricted cash

Restricted cash consists of funds that are set aside for well refurbishment as well as appurtenant equipment and structure.

Investments Authorized by the District's Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
Federal Agency Securities	N/A	None	None
Banker's Acceptances	180 days	40%	None
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase and Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	20%	None
Mutual Funds	N/A	20%	None
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Fund	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
State Registered Warrants, Notes or Bonds	N/A	None	None
Notes and Bonds for other Local California Agencies	5 years	None	None

SAN SIMEON COMMUNITY SERVICES DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2013

NOTE 3 - CASH AND INVESTMENTS (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months Or Less</u>	<u>13-24 Months</u>	<u>25-60 Months</u>	<u>More than 60 Months</u>
LAIF	\$ 517	\$ 517	\$ -	\$ -	\$ -
Total	\$ 517	\$ 517	\$ -	\$ -	\$ -

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented on the next page, is the minimum rating required by (where applicable) the California Government Code and the actual rating as of fiscal year end for each investment type.

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Fiscal Year End</u>		
				<u>AAA</u>	<u>Aa</u>	<u>Not Rated</u>
LAIF	\$ 517		\$ -	\$ -	\$ -	\$ 517
Total	\$ 517		\$ -	\$ -	\$ -	\$ 517

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District's investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

None of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

SAN SIMEON COMMUNITY SERVICES DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2013

NOTE 3 - CASH AND INVESTMENTS (Continued)

Custodial Credit Risk (Continued)

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying basic financial statements at the amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE 4 - SCHEDULE OF CAPITAL ASSETS

A schedule of changes in capital assets and depreciation for the fiscal years ended June 30, 2013, and June 30, 2012, are shown below:

	Balance July 1, 2012	Additions	Deletions	Transfers	Balance June 30, 2013
Non-depreciable capital assets:					
Construction in progress	\$ 676,070	\$ 37,778	\$ -	\$ (713,848)	\$ -
Total non-depreciable capital assets	\$ 676,070	\$ 37,778	\$ -	\$ (713,848)	\$ -
Depreciable capital assets:					
Sewer plant	\$ 1,488,555	\$ -	\$ -	\$ 299,566	\$ 1,788,121
Water plant	550,391			387,727	938,118
Building	395,874			26,555	422,429
Equipment	316,748				316,748
	2,751,568			713,848	3,465,416
Accumulated depreciation	1,790,000	79,980			1,869,980
Total depreciable capital assets	\$ 961,568	\$ (79,980)	\$ -	\$ 713,848	\$ 1,595,436
Net capital assets	\$ 1,637,638	\$ (42,202)	\$ -	\$ -	\$ 1,595,436

SAN SIMEON COMMUNITY SERVICES DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2013

NOTE 4 - SCHEDULE OF CAPITAL ASSETS (Continued)

	Balance July 1, 2011	Additions	Deletions	Transfers	Balance June 30, 2012
Non-depreciable capital assets:					
Construction in progress	\$ 451,408	\$ 224,662	\$ -	\$ -	\$ 676,070
Total non-depreciable capital assets	<u>\$ 451,408</u>	<u>\$ 224,662</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 676,070</u>
Depreciable capital assets:					
Sewer plant	\$ 1,488,555	\$ -	\$ -	\$ -	\$ 1,488,555
Water plant	550,391				550,391
Building	395,874				395,874
Equipment	316,748				316,748
	<u>2,751,568</u>				<u>2,751,568</u>
Accumulated depreciation	1,711,476	78,524			1,790,000
Total depreciable capital assets	<u>\$ 1,040,092</u>	<u>\$ (78,524)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 961,568</u>
Net capital assets	<u>\$ 1,491,500</u>	<u>\$ 146,138</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,637,638</u>

Depreciation expense for the fiscal years ended June 30, 2013 and 2012 was \$79,980 and \$78,524, respectively. Additions to construction in progress for the year ended June 30, 2013 consisted mainly of expenses related to the construction of a small scale recycled water plant (Tertiary Treatment Facility).

NOTE 5 – CUSTOMER DEPOSITS

The liability for customer deposits consists of the following as of June 30, 2013 and 2012:

	2013	2012
Hook-Up deposits	\$ 43,470	\$ 43,470
Customer meter deposits	10,458	10,408
	<u>\$ 53,928</u>	<u>\$ 53,878</u>

The hook-up deposits are from customers on a waiting list to connect into the system. Each deposit represents total hook-up fees owed by the customer based on the fee schedule in place at the time of the payment. Additional fees may be required from the customer, based on the current fee schedule, when the utility connection is completed.

Customer meter deposits consist of a \$50 refundable deposit required, for each metered customer before any service can be provided by the District.

NOTE 6 – JOINT POWERS AUTHORITY

The District is a member of the Special District Risk Management Authority (S.D.R.M.A.), an intergovernmental risk sharing joint powers authority, created pursuant to California Government Code Sections 6500 et. Seq. In becoming a member of the S.D.R.M.A., the District elected to participate in the risk financing program(s) listed below for the program period July 1, 2012 through June 30, 2013.

General and Auto Liability, Public Officials' and Employees' Errors, and Employment Practices Liability and Employee Benefits Liability: Special District Risk Management Authority, coverage number LCA SDRMA 201112. This covers \$2,500,000 per occurrence, subject to policy deductibles.

Employee Dishonesty Coverage: Special District Risk Management Authority, coverage number EDC SDRMA 201112. This policy includes a \$400,000 Public Employee Dishonesty Blanket Coverage.

SAN SIMEON COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 6 – JOINT POWERS AUTHORITY (Continued)

Property Loss: Special District Risk Management Authority, coverage number PPC SDRMA 201112. This policy covers the replacement cost for property on file, \$1,000,000,000 per occurrence, subject to policy deductibles.

Boiler and Machinery: Special District Risk Management Authority, coverage number BMC SDRMA 201112. This covers \$100,000,000 per occurrence, subject to policy deductibles.

The District also participated in the elective comprehension/collision coverage on selected vehicles, subject to policy deductibles.

Personal Liability Coverage for Board Members: This policy covers \$500,000 per occurrence, coverage number LCA SDRMA 201112, annual segregate per each selected/appointed official, subject to policy deductibles.

Members are subject to dividends and/or assessments, in accordance with Second Amended Joint Powers Agreement and amendments thereto, on file with the District. No such dividends have been declared, nor have any assessments been levied.

NOTE 7 - CONTINGENCIES

The District was party to litigation with its former management company regarding termination of its services contract. The outcome of the lawsuit was determined in July 2012. The District was required to pay \$63,464 to its former management company which amounted to two months management fee payments. As of June 30, 2013, the unpaid liability was \$25,000.

NOTE 8 – RELATED PARTY TRANSACTION

The District has an agreement with APTwater to oversee the daily operations of the District. San Simeon Community Services District paid \$460,325 during the 12/13 fiscal year to APTwater for these services.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statements were available for issuance which is XXXX.

DRAFT
SUPPLEMENTARY INFORMATION

SAN SIMEON COMMUNITY SERVICES DISTRICT
SCHEDULE OF REVENUES AND EXPENSES BY FUNCTION
For the Fiscal Year Ended June 30, 2013

	<u>Sanitation Fund</u>	<u>Water Fund</u>	<u>General</u>	<u>Total</u>
Operating Revenues:				
Utility sales	\$ 299,808	\$ 274,711	\$ -	\$ 574,519
Service charges		57,554		57,554
State of CA-Dept of Parks and Recreation	77,265			77,265
Total operating revenues	<u>377,073</u>	<u>332,265</u>		<u>709,338</u>
Operating Expenses:				
Contract labor	276,385	161,303	23,058	460,746
Repairs and maintenance		10,000	11,100	21,100
Depreciation	38,390	24,794	16,796	79,980
Legal and professional	24,476	12,530	15,111	52,117
Utilities and telephone				
Bookkeeping	5,712	4,545	5,243	15,500
Operating supplies				
Office expenses			371	371
Health insurance			11,962	11,962
Licenses and permits	7,055	2,253	26	9,334
Directors' fees	2,475	2,475	550	5,500
Insurance	3,716	620	1,858	6,194
Website			3,575	3,575
Other expense			706	706
Dues and subscriptions	333	301	1,346	1,980
Total operating expenses	<u>358,542</u>	<u>218,821</u>	<u>91,702</u>	<u>669,065</u>
Net operating gain (loss)	<u>18,531</u>	<u>113,444</u>	<u>(91,702)</u>	<u>40,273</u>
Non-Operating Revenues (Expenses):				
Property taxes			73,755	73,755
Interest income			1,708	1,708
Tax administration fee			(1,618)	(1,618)
LAFCO budget allocation			(3,849)	(3,849)
Miscellaneous income			645	645
Total non-operating revenues (expenses)			<u>70,641</u>	<u>70,641</u>
Change in net position	<u>\$ 18,531</u>	<u>\$ 113,444</u>	<u>\$ (21,061)</u>	<u>\$ 110,914</u>

SAN SIMEON COMMUNITY SERVICES DISTRICT
 SCHEDULE OF REVENUES AND EXPENSES BY FUNCTION
 For the Fiscal Year Ended June 30, 2012

	Sanitation Fund	Water Fund	General	Total
Operating Revenues:				
Utility sales	\$ 271,586	\$ 260,791	\$ 2,043	\$ 534,420
Service charges		51,100		51,100
State of CA-Dept of Parks and Recreation	56,519			56,519
Total operating revenues	328,105	311,891	2,043	642,039
Operating Expenses:				
Contract labor	295,944	172,750	24,701	493,395
Repairs and maintenance	10,000	17,152	2,830	29,982
Depreciation	37,865	24,234	16,425	78,524
Legal and professional	10,550	15,269	16,444	42,263
Utilities and telephone	14,042	652	6,367	21,061
Bookkeeping	5,700	4,485	4,515	14,700
Operating supplies	3,571		257	3,828
Office expenses	63	63	422	548
Health insurance			4,869	4,869
Licenses and permits	6,660	1,763	598	9,021
Directors' fees	2,610	2,610	580	5,800
Insurance	3,752	625	1,586	5,963
Website			3,025	3,025
Other expense			2	2
Dues and subscriptions			1,264	1,264
Total operating expenses	390,757	239,603	83,885	714,245
Net operating gain (loss)	(62,652)	72,288	(81,842)	(72,206)
Non-Operating Revenues (Expenses):				
Property taxes			68,380	68,380
Interest income			2,083	2,083
Tax administration fee			(1,587)	(1,587)
LAFCO budget allocation			(1,699)	(1,699)
Total non-operating revenues (expenses)			67,177	67,177
Change in net position	\$ (62,652)	\$ 72,288	\$ (14,665)	\$ (5,029)

SAN SIMEON COMMUNITY SERVICE DISTRICT
111 Pico Avenue, San Simeon, CA 93452
(805) 927-4778

Date: December 11, 2013

To: Board of Directors

From: District Counsel

Subject: Resolution No. 13-361 Regarding Compensation Paid to Board Members

SUMMARY RECOMMENDATION:

That the Board approve the Resolution No. 13-361 regarding compensation paid to each member of the Board.

BACKGROUND:

Board Member Fields has requested that this matter be brought to Board for review and discussion.

Moss, Levy & Hartzheim LLP (the District's Auditor) requested a Resolution that identifies the amount of compensation paid to each Board Member.

DISCUSSION:

Government Code Section 61047 states:

(a) The board of directors may provide, by ordinance or resolution, that each of its members may receive compensation in an amount not to exceed one hundred dollars (\$100) for each day of service. A member of the board of directors shall not receive compensation for more than six days of service in a month.

(b) The board of directors, by ordinance adopted pursuant to Chapter 2 (commencing with Section 20200) of Division 10 of the Water Code, may increase the amount of compensation that may be received by members of the board of directors.

(c) The board of directors may provide, by ordinance or resolution, that its members may receive their actual and necessary traveling and incidental expenses incurred while on official business. Reimbursement for these expenses is subject to Sections 53232.2 and 53232.3.

(d) A member of the board of directors may waive any or all of the payments permitted by this section.

(e) For the purposes of this section, a "day of service" means any of the following:

(1) A meeting conducted pursuant to the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5.

(2) Representation of the district at a public event, provided that the board of directors has previously approved the member's representation at a board of directors' meeting and that the member delivers a written report to the board of directors regarding the member's representation at the next board of directors' meeting following the public event.

(3) Representation of the district at a public meeting or a public hearing conducted by another public agency, provided that the board of directors has previously approved the member's representation at a board of directors' meeting and that the member delivers a written report to the board of directors regarding the member's representation at the next board of directors' meeting following the public meeting or public hearing.

(4) Representation of the district at a meeting of a public benefit nonprofit corporation on whose board the district has membership, provided that the board of directors has previously approved the member's representation at a board of directors' meeting and the member delivers a written report to the board of directors regarding the member's representation at the next board of directors' meeting following the corporation's meeting.

(5) Participation in a training program on a topic that is directly related to the district, provided that the board of directors has previously approved the member's participation at a board of directors' meeting, and that the member delivers a written report to the board of directors regarding the member's participation at the next board of directors' meeting following the training program.

FISCAL IMPACT:

There would be no fiscal impact unless there was a change in the District's policy of paying per meeting as opposed to per month.

RWS

RESOLUTION NO. 13-361

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN
SIMEON COMMUNITY SERVICES DISTRICT SETTING
COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS**

WHEREAS, The San Simeon Community Services District is authorized under Government Code 61047 (a) to provide compensation to each member of the Board in amount not to exceed \$100.00 for each day of service on behalf of the District, not to exceed six(6) days of service in a given month, and

WHEREAS, the Board has previously adopted Policy 5030 whereby each member of the Board "shall receive a monthly 'Director's Fee', the amount of which shall be annually established by the Board as set forth in the adopted budget. However, a member of the Board who does not attend the regular monthly meeting of the Board is not entitled to the monthly 'Director's Fee'". The Board has for at least the past 15 years adopted a budget for payment of the sum of \$100 for each Board member per month, and

WHEREAS, the Board desires to establish the amount of compensation by way of this Resolution in accordance with the provisions of the Government Code; and

WHEREAS, in accordance with Section 6066 of the California Government Code, a public hearing was held on December 11, 2013, at 6:00 p.m., or soon thereafter, at the meeting room of the Board at 250 San Simeon Avenue, San Simeon, CA and a notice of said hearing was duly noticed.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT DOES HEREBY ORDAIN AS FOLLOWS:

Section 1 The amount of compensation to be received by Directors for each month's attendance at the Regular Meeting of the Board shall be in the amount of one hundred dollars (\$100.00). There shall be no payment for any other special meetings, workshops, committee meetings or community meetings unless specifically authorized by the Board. Attendance at the Regular Meeting each month is required in order to receive said compensation; and

On motion of Director _____, Seconded by Director _____,
and on the following roll call vote to wit:

AYES:

NOES:

ATTEST:

ATTEST:

APPROVED AS TO FORM

Ralph McAdams
Chairperson, Board of Directors

Charles Grace
General Manager/
District Secretary

Robert Schultz
District Counsel